

AMENDED IN ASSEMBLY APRIL 13, 2009

CALIFORNIA LEGISLATURE—2009—10 REGULAR SESSION

ASSEMBLY BILL

No. 1322

Introduced by Assembly Member Huffman

February 27, 2009

An act to amend Sections 84503, 84504, 84506, 84506.5, 84507, and 84508 Section 84506.5 of the Government Code, relating to the Political Reform Act of 1974.

LEGISLATIVE COUNSEL'S DIGEST

AB 1322, as amended, Huffman. Political Reform Act of 1974: campaign disclosures.

Existing law requires *that an advertisement supporting or opposing a candidate that is paid for by an independent expenditure committee to disclose the top 2 donors to the committee, as specified, in all advertising or statements for or against a ballot measure contain a statement that the advertisement was not authorized by the candidate.*

This bill would require committees to disclose the top 3 donors to the committee and specify the way disclosure would be made in radio, print, or television advertising *that the advertisement identify the name of the independent expenditure committee that purchased it and would, for printed advertisements, specify the manner in which the disclosure must be made.*

Because this bill would ~~create new crimes~~ *expand the definition of a crime*, it would impose a state-mandated local program.

The California Constitution requires the state to reimburse local agencies and school districts for certain costs mandated by the state. Statutory provisions establish procedures for making that reimbursement.

This bill would provide that no reimbursement is required by this act for a specified reason.

The Political Reform Act of 1974, an initiative measure, provides that the Legislature may amend the act to further the act's purposes upon a $\frac{2}{3}$ vote of each house and compliance with specified procedural requirements.

This bill would declare that it furthers the purposes of the act.

Vote: $\frac{2}{3}$. Appropriation: no. Fiscal committee: yes.

State-mandated local program: yes.

The people of the State of California do enact as follows:

1 ~~SECTION 1. Section 84503 of the Government Code is~~
2 ~~amended to read:~~

3 ~~84503. (a) Any advertisement for or against any ballot measure~~
4 ~~shall include a disclosure statement identifying any person whose~~
5 ~~cumulative contributions are fifty thousand dollars (\$50,000) or~~
6 ~~more.~~

7 ~~(b) If there are more than three donors of fifty thousand dollars~~
8 ~~(\$50,000) or more, the committee is required to disclose the highest~~
9 ~~three donors in that order. In the event that more than three donors~~
10 ~~meet this disclosure threshold at identical contribution levels, the~~
11 ~~three highest shall be selected according to chronological sequence.~~

12 ~~(c) For a televised advertisement, the top three donors must be~~
13 ~~displayed in accordance with Section 84507.~~

14 ~~(d) For a radio advertisement, the top three donors must be~~
15 ~~verbally announced in accordance with Section 84507 at the~~
16 ~~beginning and end of the advertisement.~~

17 ~~SEC. 2. Section 84504 of the Government Code is amended~~
18 ~~to read:~~

19 ~~84504. (a) Any committee that supports or opposes one or~~
20 ~~more ballot measures shall name and identify itself using a name~~
21 ~~or phrase that clearly identifies the economic or other special~~
22 ~~interest of its major donors of fifty thousand dollars (\$50,000) or~~
23 ~~more in any reference to the committee required by law, including,~~
24 ~~but not limited to, its statement of organization filed pursuant to~~
25 ~~Section 84101.~~

26 ~~(b) If the major donors of fifty thousand dollars (\$50,000) or~~
27 ~~more share a common employer, the identity of the employer shall~~
28 ~~also be disclosed.~~

1 ~~(e) Any committee which supports or opposes a ballot measure~~
2 ~~shall print or broadcast its name as provided in this section and~~
3 ~~disclose the top three donors in the manner required by Sections~~
4 ~~84503 and 84507 as part of any advertisement or other paid public~~
5 ~~statement.~~

6 ~~(d) If candidates or their controlled committees, as a group or~~
7 ~~individually, meet the contribution thresholds for a person, they~~
8 ~~shall be identified by the controlling candidate's name.~~

9 ~~SEC. 3. Section 84506 of the Government Code is amended~~
10 ~~to read:~~

11 ~~84506. (a) A broadcast or mass mailing advertisement~~
12 ~~supporting or opposing a candidate or ballot measure, that is paid~~
13 ~~for by an independent expenditure, shall include a disclosure~~
14 ~~statement that identifies both of the following:~~

15 ~~(1) The name of the committee making the independent~~
16 ~~expenditure.~~

17 ~~(2) The names of the persons from whom the committee making~~
18 ~~the independent expenditure has received its three highest~~
19 ~~cumulative contributions of fifty thousand dollars (\$50,000) or~~
20 ~~more during the 12-month period prior to the expenditure. If the~~
21 ~~committee can show, on the basis that contributions are spent in~~
22 ~~the order they are received, that contributions received from the~~
23 ~~three highest contributors have been used for expenditures~~
24 ~~unrelated to the candidate or ballot measure featured in the~~
25 ~~communication, the committee shall disclose the three contributors~~
26 ~~making the next largest cumulative contributions of fifty thousand~~
27 ~~dollars (\$50,000) or more.~~

28 ~~(b) If an acronym is used to identify any committee names~~
29 ~~required by this section, the names of any sponsoring organization~~
30 ~~of the committee shall be printed on print advertisements or spoken~~
31 ~~in broadcast advertisements.~~

32 ~~SEC. 4.~~

33 ~~SECTION 1. Section 84506.5 of the Government Code is~~
34 ~~amended to read:~~

35 ~~84506.5. An advertisement supporting or opposing a candidate~~
36 ~~that is paid for by an independent expenditure must include a~~
37 ~~statement that it was not authorized by a candidate or a committee~~
38 ~~controlled by a candidate. *The and identify the name of the*~~
39 ~~*independent expenditure committee that purchased the*~~
40 ~~*advertisement. For a printed advertisement* statement shall be in~~

1 boldface type, be prominently displayed, and be in substantially
2 the following form:

3 “NOTICE OF INDEPENDENT EXPENDITURE: This
4 communication is neither approved nor authorized by ____ (ANY
5 CANDIDATE IN THE ____DISTRICT). It is paid for by
6 COMMITTEE NAME, an independent expenditure committee.
7 The donors to this committee are listed at www.____.”

8 ~~SEC. 5. Section 84507 of the Government Code is amended~~
9 ~~to read:~~

10 ~~84507. Any disclosure statement required by this article shall~~
11 ~~be printed clearly and legibly in no less than 10-point type and in~~
12 ~~a conspicuous manner as defined by the commission or, if the~~
13 ~~communication is broadcast, the information shall be spoken so~~
14 ~~as to be clearly audible and understood by the intended public and~~
15 ~~otherwise appropriately conveyed for the hearing impaired. If the~~
16 ~~communication is broadcast on television, the information shall~~
17 ~~be displayed on the bottom one-fourth portion of the screen in~~
18 ~~white letters against a black background for the duration of the~~
19 ~~advertisement.~~

20 ~~SEC. 6. Section 84508 of the Government Code is amended~~
21 ~~to read:~~

22 ~~84508. If disclosure of three major donors is required by~~
23 ~~Sections 84503 and 84506, the committee shall be required to~~
24 ~~disclose, in addition to the committee name, only its highest major~~
25 ~~contributor in any advertisement which is either of the following:~~

- 26 ~~(a) An electronic broadcast of 15 seconds or less.~~
27 ~~(b) A newspaper, magazine, or other public print media~~
28 ~~advertisement which is 20 square inches or less.~~

29 ~~SEC. 7.~~

30 ~~SEC. 2.~~ The Legislature finds and declares that this bill furthers
31 the purposes of the Political Reform Act of 1974 within the
32 meaning of subdivision (a) of Section 81012 of the Government
33 Code.

34 ~~SEC. 8.~~

35 ~~SEC. 3.~~ No reimbursement is required by this act pursuant to
36 Section 6 of Article XIII B of the California Constitution because
37 the only costs that may be incurred by a local agency or school
38 district will be incurred because this act creates a new crime or
39 infraction, eliminates a crime or infraction, or changes the penalty
40 for a crime or infraction, within the meaning of Section 17556 of

- 1 the Government Code, or changes the definition of a crime within
- 2 the meaning of Section 6 of Article XIII B of the California
- 3 Constitution.

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